

ARTICLE 44 – DIVISION OF FINANCIAL SERVICES

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11-44-101. Division of financial services created

There is hereby created a division of financial services, within the department of regulatory agencies, which shall be administered by the state commissioner of financial services. When any law of this state refers to the savings and loan department of the state of Colorado, said law shall be construed as referring to the division of financial services.

HISTORY: Source: L. 33: p. 331, § 1.CSA: C. 25, § 47.CRS 53: § 122-6-1. C.R.S. 1963: § 122-5-1.L. 68: p. 125, § 126.L. 89: Entire section amended, p. 616, § 1, effective July 1.

Cross references: For provisions regarding funeral contract trust funds, see article 15 of title 10; for provisions regarding the "Money Transmitters Act", see article 52 of title 12; for the "Unclaimed Property Act", see article 13 of title 38.

ANNOTATION

Law reviews. For comment on United States Bldg. Loan Ass'n v. McClelland, appearing below, see 7 Rocky Mt. L. Rev. 156 (1935).

This is a comprehensive article creating a building and loan department of the state, defining its powers, and giving it supervision over all foreign and domestic building and loan corporations doing business in this state, with power to grant certificates of business. United States Bldg. Loan Ass'n v. McClelland, 6 F. Supp. 299 (D. Colo. 1934).

It is a valid legislative enactment. Building and loan associations exercise quasi-banking functions, soliciting the savings and funds of the public, especially of those in more modest circumstances. The general assembly violates no constitutional guaranty in declaring them affected with a public interest and in providing, within proper limits, supervision and control for the protection of the investor. United States Bldg. Loan Ass'n v. McClelland, 6 F. Supp. 299 (D. Colo. 1934).

11-44-101.4. Definitions

As used in articles 30 and 40 to 46 of this title, unless the context otherwise requires, "board" means the financial services board, created in [section 11-44-101.6](#).

HISTORY: Source: L. 93: Entire section added, p. 1447, § 9, effective June 6.

11-44-101.5. Division subject to termination - repeal of article

(1) The provisions of [section 24-34-104, C.R.S.](#), concerning the termination schedule for regulatory bodies of the state unless extended as provided in that section, are applicable to the division of financial services created by [section 11-44-101](#).

(2) This article is repealed, effective September 1, 2024.

HISTORY: Source: L. 76: Entire section added, p. 621, § 4, effective July 1.L. 89: Entire section amended, p. 616, § 2, effective July 1.L. 91: Entire section amended, p. 678, § 6, effective April 20.L. 94: (2) amended, p. 66, § 9,

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effective July 1.L. 2004: (2) amended, p. 138, § 20, effective July 1.L. 2013: (2) amended, (SB 13-159), ch. 193, p. 790, § 1, effective May 11.

11-44-101.6. Financial services board - creation

(1) There is hereby established in the division the financial services board which shall consist of five members.

(2) (a) There shall be three members who during their tenure are, and shall remain, executive officers of state credit unions and shall have not less than five years' practical experience as an active executive officer of a credit union.

(b) There shall be one member who during such member's tenure is, and shall remain, the executive officer of a state savings and loan association and shall have not less than five years' practical experience as an active executive officer of a savings and loan association.

(c) There shall also be one member to serve as a public member of the board who shall have expertise in finance through current experience in business, industry, agriculture, or education.

(d) Not more than three members shall be of the same major political party. No member of the board shall have any interest, direct or indirect, in a financial institution in which another member of the board shall have any such interest.

(3) Members shall be appointed by the governor, with the consent of the senate. Appointments shall take effect on July 1, 1993. The term of office of each member shall be four years with the exception of the first appointments wherein two members shall be appointed for a two-year term to effect the staggering of terms. The governor may, after notice and hearing, remove a member for cause. Any board member who is absent from three consecutive board meetings is subject to immediate removal by the governor.

(4) Each member of the board shall receive the same per diem compensation and reimbursement of expenses as those provided for members of boards and commissions in the division of professions and occupations pursuant to [section 24-34-102 \(13\), C.R.S.](#) Payment for all such expenses and allowances shall be made upon vouchers therefor, which shall be filed with the department of personnel.

(5) The board shall meet at least once every three months. The chair of the board may call additional meetings of the board upon at least seventy-two hours' notice to all members of the board and shall do so upon the request of two members. All members of the board shall be subject to immediate call in the event of an emergency. Three members of the board shall constitute a quorum, and action taken by a majority of those present at any meeting at which a quorum is present shall be the action of the board. Upon the affirmative vote of a majority of those present at any meeting at which a quorum is present, one or more members may be authorized to conduct any hearing required under articles 30 and 40 to 46 of this title. In the event that less than a quorum of the board is present during the conduct of the hearing, at least a quorum of the board shall read the entire record before voting thereon. No member who is, or was at any time in the preceding twelve months, a director, officer, partner, employee, member, or stockholder of a corporation, partnership, or unincorporated association which is a party to a proceeding before the board shall participate in such a proceeding. A member may disqualify himself or herself from participating in a proceeding for any other cause deemed by the member to be sufficient.

(6) A quorum may be established by means of a conference telephone call which shall be recorded in the board's minutes. Upon the affirmative vote of a majority of those present at any meeting at which a quorum is present, the board may hold an executive session to consider certain matters required by statute to be kept confidential under articles 30 and 40 to 46 of this title. Any agenda and the minutes of executive sessions shall be kept confidential by the board.

(7) Such clerical, technical, and legal assistance as the board may require shall be provided by the division.

(8) The members of the board shall, before entering upon the discharge of their duties, in addition to any oath

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required by the state constitution, take and subscribe an oath to keep secret all information acquired by them in the discharge of their duties, except as may be otherwise required by law. Any person who willfully violates this oath is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than one thousand dollars, or by imprisonment in the county jail for not more than one year, or by both such fine and imprisonment.

(9) The board shall elect a chair from among its members to serve for a term not exceeding two years, as determined by the board. No chair shall be eligible to serve as such for more than two successive terms. In addition to the amounts received pursuant to subsection (4) of this section, the chair shall receive per diem compensation and reimbursement of expenses in the amounts provided by [section 24-34-102 \(13\), C.R.S.](#), for each day spent in attending to the duties of the board.

(10) For the fiscal year beginning July 1, 1993, all moneys necessary to fund the board, including but not limited to per diem compensation and reimbursement of expenses for board members, shall be transferred from the moneys allocated for travel expenses for the division.

HISTORY: Source: L. 93: Entire section added, p. 1447, § 9, effective June 6.L. 95: (4) amended, p. 637, § 20, effective July 1.L. 96: (4) amended, p. 1513, § 40, effective June 1.

11-44-107. Confidentiality

(1) The board is the policy-making and rule-making authority for the division and has the power to:

(a) Regulate its own procedure and practice; and

(b) Make, modify, reverse, and vacate rules for the proper enforcement and administration of articles 30 and 40 to 46 of this title and article 13 of title 12, C.R.S.

(2) In addition to any other powers conferred on it by articles 30 and 40 to 46 of this title, the board has the power to:

(a) Make all final decisions with respect to the organization, conversion, or merger of credit unions and savings and loan associations and administration of life care institutions or providers pursuant to article 13 of title 12, C.R.S.;

(b) Make all final decisions with respect to the suspension or liquidation of credit unions and savings and loan associations under article 30 of this title and this article.

(c) (Deleted by amendment, L. 95, p. 1092, § 3, effective May 31, 1995.)

(3) The board has the power to:

(a) Prohibit the taking of shares or deposits or to restrict the withdrawal of shares or deposits, or both, from any one or more state credit unions or savings and loan associations when the board finds that extraordinary circumstances make such a restriction necessary for the proper protection of depositors in the affected state credit union or savings and loan association;

(b) Authorize state credit unions and savings and loan associations to engage in any activity in which such financial institutions could engage were they operating under a federal charter or certificate of approval at the time such authority is granted, so long as such activity is not prohibited by state law and to the extent permissible under the rules and regulations of the board;

(c) Affirm, modify, reverse, vacate, or stay the enforcement of any order, ruling, or determination made by the commissioner acting pursuant to authority delegated by the board;

(d) Issue a declaratory order with respect to the applicability of article 13 of title 12, C.R.S., articles 30 and 40 to 46 of this title, or any rule and regulation issued by the board to any person, property, or state of facts under said

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provisions;

(e) Review and comment on the preliminary budget draft for the division prior to its submission to the department of regulatory agencies;

(f) Annually establish such fees and assessments and the percentages thereof as are necessary to generate the moneys appropriated by the general assembly to the division;

(g) Comment to the executive director of the department of regulatory agencies on who shall be the commissioner and to recommend to said executive director the termination of the commissioner for cause;

(h) Perform any acts and make any decisions incidental to or necessary for carrying out its functions as set forth in article 13 of title 12, C.R.S., and articles 30 and 40 to 46 of this title;

(i) Issue subpoenas and require attendance of any and all officers, directors, and employees of any credit union, savings and loan association, or life care institution or provider, and such other witnesses as the board may deem necessary in relation to its affairs, transactions, and conditions, and may require such witnesses to appear and answer such questions as may be put to them by the board, and may require such witnesses to produce such books, papers, or documents in their possession as may be required by the board. Upon application of the board and subject to any protective order which may be entered by a district court, any person served with a subpoena issued by the board may be required, by order of the district court of the county where the credit union, savings and loan association, or life care institution or provider has its principal office, to appear and answer such questions as may be put to such person by the board and be required to produce such books, papers, or documents in such person's possession as may be required by the board.

(4) The board may issue cease-and-desist orders, suspend a director, officer, or employee of a credit union or savings and loan association, or assess civil money penalties, in the same manner as provided in [section 11-30-106 \(7\)](#) and (8), concerning powers of the commissioner, and [section 11-44-106.5](#), concerning suspension or removal of directors, officers, or employees, and as provided in [sections 11-30-106.5](#) and [11-44-123](#), concerning assessment of civil money penalties by the commissioner.

(5) Except with respect to the organization of community charter credit unions, the board may, in its discretion, delegate to the commissioner any of its powers, duties, and functions.

(6) The board may, in its discretion, require the commissioner to report to the board periodically with respect to any powers delegated pursuant to subsection (5) of this section.

(7) The board shall have the power to approve or deny merger agreements for credit unions as provided in [section 11-30-122](#). Mergers involving a community charter shall be subject to a public hearing pursuant to [section 11-30-101.7](#).

(8) Repealed.

HISTORY: Source: L. 93: Entire section added, p. 1449, § 9, effective June 6. L. 94: (3)(b) amended and (8) repealed, pp. 66, 67, § § 10, 11, effective July 1. L. 95: (2)(a), (2)(c), (3)(d), and (3)(h) amended, p. 1092, § 3, effective May 31. L. 99: (1) amended, p. 1011, § 4, effective August 4. L. 2013: (3)(i) amended, ([SB 13-159](#)), [ch. 193](#), p. 791, § 5, effective May 11.

11-44-101.8. Review of commissioner actions by financial services board - judicial review

(1) (a) Any credit union, savings and loan association, or life care institution or provider, or any officer, director, employee, agent, advisor, or volunteer thereof, may appeal to the board any actions taken pursuant to authority delegated by the board pursuant to [section 11-44-101.7 \(5\)](#) or as otherwise specifically provided by statute. Notice

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of such appeal shall be filed with the commissioner within thirty days after such findings, ruling, order, decision, or other action. Such notice shall contain a brief statement of the pertinent facts upon which such appeal is based. Within sixty days after the appeal is filed, the board shall fix a date, time, and place for hearing the appeal and shall notify the credit union, savings and loan association, or life care institution or provider at least thirty days prior to the date of said hearing. Any such action of the commissioner may be stayed by the board pending the appeal to the board. The findings, order, decision, ruling, or other action of the board shall be deemed final agency action.

(b) In extraordinary circumstances, upon order of the board, any hearing conducted pursuant to paragraph (a) of this subsection (1) shall be exempt from any provision of law requiring that proceedings of the board be conducted publicly. Such extraordinary circumstances occur when specific concern arises about prompt withdrawal of moneys from an institution.

(2) Any credit union, savings and loan association, or life care institution or provider, or any officer, director, employee, agent, advisor, or volunteer thereof, or any other party, aggrieved or directly affected by a final order of the board, may obtain judicial review thereof by filing an action for review pursuant to the provisions of [section 24-4-106, C.R.S.](#), with the Colorado court of appeals pursuant to [section 24-4-106 \(11\), C.R.S.](#) The commencement of such proceeding does not, unless specifically ordered by the court, operate as a stay of the board's ruling, order, decision, or other action.

HISTORY: Source: L. 93: Entire section added, p. 1451, § 9, effective June 6. L. 94: (2) amended, p. 67, § 12, effective July 1. L. 95: (2) amended, p. 1092, § 4, effective May 31. L. 97: (2) amended, p. 8, § 1, effective March 13. L. 99: (1) amended, p. 1011, § 5, effective August 4. L. 2004: (1)(a) amended, p. 138, § 21, effective July 1.

11-44-102. Commissioner - duties - employees

(1) The head of the division of financial services shall be the state commissioner of financial services, referred to in this article as the "commissioner". The commissioner shall have had at least five years' practical experience in the operation or regulation of financial institutions or financial service operations. The commissioner shall be appointed by the executive director of the department of regulatory agencies, pursuant to [section 13 of article XII of the state constitution](#).

(2) The commissioner may appoint, pursuant to [section 13 of article XII of the state constitution](#), a deputy commissioner of financial services, a secretary, and such other employees as deemed necessary for the proper conduct of the division.

(3) The deputy commissioner, the secretary, and all other employees of the division shall be under the direct supervision of the commissioner who shall have full power and control over such employees. Neither the commissioner nor any officer or employee of the division shall be personally liable for any acts done in good faith while in the performance of his duties as prescribed by law.

(4) Repealed.

(5) (Deleted by amendment, L. 2004, p. 138, § 22, effective July 1, 2004.)

(6) The commissioner, the deputy commissioner, the secretary, and all employees shall be reimbursed for all necessary expenses of their office, including all traveling expenses necessarily incurred in the performance of their duties, upon vouchers therefor properly itemized and filed in accordance with law.

(7) Repealed.

(8) (a) Neither the commissioner nor any employee of the division shall:

(l) Be an officer, director, committee member, attorney for, or stockholder in any credit union or savings and loan association; or

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(II) Receive, directly or indirectly, any payment, gratuity, or compensation from any institution over which the division has regulatory authority.

(b) The provisions of paragraph (a) of this subsection (8) shall not prohibit the commissioner or any employee of the division from being a depositor, account holder, borrower, or user of other available financial services on the same terms as are available to the general public or membership.

(c) Notwithstanding any provision of this subsection (8) to the contrary, this subsection (8) shall not prohibit the credit union or savings and loan members of the financial services board pursuant to [section 11-44-101.6 \(2\) \(a\)](#) or (2) (b) from:

(I) Being executive officers in credit unions or savings and loan associations; and

(II) Receiving bona fide compensation as such officers.

HISTORY: Source: L. 33: p. 332, § 2.CSA: C. 25, § 48.L. 43: p. 207, § 6.L. 47: p. 315, § 1.CRS 53: § 122-6-2. C.R.S. 1963: § 122-5-2.L. 68: p. 125, § 127.L. 89: (1), (2), and (4) amended, p. 616, § 3, effective July 1.L. 91: (7) added, p. 674, § 3, effective May 1.L. 2004: (1), (2), and (5) amended and (8) added, p. 138, § 22, effective July 1.L. 2013: (4) repealed, [\(SB 13-159\)](#), [ch. 193](#), [p. 791](#), [§ 6](#), effective May 11.

Editor's note: Subsection (7)(b) provided for the repeal of subsection (7), effective January 1, 1992. (See L. 91, p. 674.)

11-44-103. Powers of commissioner

The commissioner has general supervision and control over all domestic and foreign savings and loan associations doing business in this state and has full power to grant, refuse, or revoke a permit or license to any association to do business in this state when such association is not conducting its business in conformity with the laws of the state or is conducting its business in such an unsafe manner as to render its further operations hazardous to the public or any of its shareholders. All articles of incorporation and amendments thereto, all bylaws and amendments thereto, and all certificates of stock and shares of associations subject to articles 40 to 46 of this title shall be submitted to said commissioner for his approval or disapproval, and said commissioner has the authority to approve, modify, or reject any such articles of incorporation or amendments thereto, bylaws or amendments thereto, and certificates of stock or shares. The commissioner has full power and authority to prescribe all necessary and proper rules and regulations for the conduct and operation of savings and loan associations in this state and shall prescribe the manner in which the books and records of associations doing business in this state shall be kept.

HISTORY: Source: L. 33: p. 334, § 3.CSA: C. 25, § 49.CRS 53: § 122-6-3. C.R.S. 1963: § 122-5-3.

ANNOTATION Constitutional validity not properly raised by the association. *United States Bldg. Loan Ass'n v. McClelland*, 95 Colo. 292, 36 P.2d 164 (1934).

11-44-103.5. Record retention by the commissioner

The commissioner shall retain records pursuant to part 1 of article 80 of title 24, C.R.S., and may, in his or her discretion, destroy records pursuant to said part 1.

HISTORY: Source: L. 2004: Entire section added, p. 139, § 23, effective July 1.

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11-44-104. Commissioner may delegate powers

The commissioner may delegate such of his powers and authority to his deputies as he may deem necessary for proper administration of the division and may designate appropriate titles for his deputies and any of his employees. Any such delegation or designation made may be rescinded by the commissioner at any time. All such actions shall be in writing and of record in the files of the division. The acts of deputies performing such delegated powers and authority shall be of the same legal effect as if performed personally by the commissioner.

HISTORY: Source: L. 39: p. 250, § 21.CSA: C. 25, § 49(1).CRS 53: § 122-6-4. C.R.S. 1963: § 122-5-4.

11-44-105. Commissioner may institute suits

The commissioner shall report to the attorney general, and he shall institute and prosecute suits and actions to enjoin violations of articles 40 to 46 of this title or violations of orders or decisions of the commissioner rendered pursuant to said articles and to enforce any civil penalties provided by said articles. The commissioner shall notify the proper district attorney of any violation of the provisions of articles 40 to 46 of this title which constitutes a felony or misdemeanor, and such district attorney shall forthwith prosecute the person charged with such offense. Upon failure or refusal of the district attorney to so prosecute, it shall be the duty of the attorney general to conduct such prosecution.

HISTORY: Source: L. 33: p. 335, § 4.CSA: C. 25, § 50.CRS 53: § 122-6-5. C.R.S. 1963: § 122-5-5.

11-44-106. Issuance of subpoenas

The commissioner has the power to issue subpoenas and require attendance of any and all officers, directors, agents, salesmen, collectors, and employees of any association and such other witnesses as he may deem necessary in relation to its affairs, transactions, and conditions, and may require such witnesses to appear and answer such questions as may be put to them by the commissioner, and may require such witnesses to produce such books, papers, or documents in their possession as may be required by the commissioner. Upon application of the commissioner, any person served with a subpoena issued by him may be required, by order of the district court of the county where the association has its principal office, to appear and answer such questions as may be put to him by the commissioner and be required to produce such books, papers, or documents in his possession as may be required by the commissioner.

HISTORY: Source: L. 33: p. 336, § 5.CSA: C. 25, § 51.CRS 53: § 122-6-6. C.R.S. 1963: § 122-5-6.

11-44-106.5. Suspension or removal of directors, officers, or employees

(1) (a) The commissioner may suspend or remove any director, officer, or employee of an association who in the opinion of the commissioner has:

(I) Violated the savings and loan association laws or a lawful regulation or order issued thereunder;

(II) Engaged or participated in any unsafe or unsound practice in the conduct of savings and loan business;

(III) Committed or engaged in any act, omission, or practice which constitutes a breach of fiduciary duty to the association and the association has suffered or will probably suffer financial loss or other damage or the interests of account holders may be seriously prejudiced thereby; or

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(IV) Received financial gain by reason of a violation, practice, or breach of fiduciary duty that involved personal dishonesty or demonstrated a willful or continuing disregard for the safety or soundness of the association.

(b) The commissioner may suspend or remove any director, officer, or employee of an association who, under the laws of this state, the United States, or any other state or territory of the United States:

(I) Has entered a plea of guilty or nolo contendere to or been convicted of a crime involving theft or fraud that is classified as a felony; or

(II) Is subject to an order removing or suspending such individual from office, or prohibiting such individual's participation in the conduct of the affairs of any credit union, savings and loan association, bank, or other financial institution.

(1.2) A suspension or removal order issued pursuant to subsection (1) of this section shall include a description of the grounds for the suspension or removal. A copy of the order shall be sent to the association concerned and to each member of its board of directors.

(2) (a) The commissioner shall send written notice by certified mail, return receipt requested, to any person affected by subsection (1) of this section, at least ten days prior to a hearing held pursuant to [section 24-4-105, C.R.S.](#), at which the commissioner shall preside.

(b) If the commissioner determines that a specific case involves extraordinary circumstances which require immediate action, he may suspend or remove a person under subsection (1) of this section without notice or a hearing, but he shall conduct a hearing under [section 24-4-105, C.R.S.](#), within thirty days after such suspension or removal.

(c) Any person who performs any duty or who exercises any power of a domestic savings and loan association after receipt of a suspension or removal order under subsection (1) of this section commits a class 1 misdemeanor and shall be punished as provided in [section 18-1.3-501, C.R.S.](#)

(d) In extraordinary circumstances, upon order of the commissioner, any hearing conducted pursuant to this section shall be exempt from any provision of law requiring that proceedings of the commissioner be conducted publicly. Such extraordinary circumstances occur when specific concern arises about prompt withdrawal of moneys from the institution.

HISTORY: Source: L. 85: Entire section added, p. 399, § 2, effective May 24. L. 89: (1) amended and (2)(d) added, p. 612, § 6, 7, effective April 19. L. 94: (1) amended and (1.2) added, p. 67, § 13, effective July 1. L. 2002: (2)(c) amended, p. 1471, § 41, effective October 1.

Cross references: For the legislative declaration contained in the 2002 act amending subsection (2)(c), see section 1 of chapter 318, Session Laws of Colorado 2002.

11-44-107. Confidentiality

(1) Neither the commissioner, the commissioner's deputy, or any other person appointed by the commissioner shall divulge any information acquired in the discharge of the person's duties; except that:

(a) A person specified in the introductory portion to this subsection (1) may divulge information acquired in the discharge of the person's duties if doing so is made necessary by law or under order of court in an action involving the division of financial services or in criminal actions;

(b) Any party entitled to appear in a hearing on an application for a savings and loan association charter or approval of a merger of savings and loan associations shall have access to the applicant's proposed articles or amended articles of incorporation, application for charter, and proposed bylaws;

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(c) The commissioner may furnish information as to the condition of a savings and loan association to the federal office of thrift supervision or its successors, a federal home loan bank, the savings and loan departments of other states, an insurer authorized to insure obligations or accounts pursuant to articles 40 to 47 of this title, the executive director of the department of regulatory agencies, or the division of banking;

(d) The commissioner may give records or information in the commissioner's possession to a licensing agency within the department of regulatory agencies relating to possible misconduct by a person or entity licensed by said agency;

(e) The board, the commissioner, and their respective designees may exchange information obtained by the division of financial services as to possible criminal violations of law relating to the activities of a savings and loan association with the appropriate law enforcement agencies; and

(f) Notwithstanding any provision contained in this article to the contrary, the commissioner, the commissioner's deputies, or other persons appointed by the commissioner may disclose any information in the records of the division of financial services or acquired in the discharge of the person's duties that is available from the federal office of thrift supervision or its successors or the disclosure of which has been specifically authorized by the board of directors of the association to which such information relates. Nothing in this section shall be construed to authorize the board of directors of an association to waive any privileges that belong solely to the financial services board, the division of financial services, or its employees.

HISTORY: Source: L. 33: p. 336, § 6.CSA: C. 25, § 52.CRS 53: § 122-6-7. C.R.S. 1963: § 122-5-7.L. 79: Entire section amended, p. 432, § 9, effective June 19.L. 84: Entire section amended, p. 381, § 10, effective May 11.L. 85: Entire section amended, p. 400, § 3, effective May 24.L. 89: Entire section amended, p. 617, § 4, effective July 1.L. 93: Entire section amended, p. 1452, § 10, effective June 6.L. 99: Entire section amended, p. 1012, § 6, effective August 4.L. 2008: Entire section amended, p. 180, § 2, effective August 5.

11-44-108. Seal of commissioner (Repealed)

HISTORY: Source: L. 33: p. 337, § 7.CSA: C. 25, § 53.CRS 53: § 122-6-8. C.R.S. 1963: § 122-5-8.L. 89: Entire section amended, p. 618, § 5, effective July 1.L. 94: Entire section repealed, p. 68, § 14, effective July 1.

11-44-109. Examination by commissioner - procedure - penalty

(1) The commissioner, in person or by his deputy or one or more of his or her employees, at such intervals as the commissioner shall determine to be necessary or desirable in order to ascertain that each association is conducting its business in a safe and authorized manner, shall visit the home office and such branch offices as the commissioner deems necessary and examine into the affairs of every domestic association doing business in this state. The commissioner's deputy or any employee of the commissioner, before being entitled to make such examination, shall produce under the hand and seal of the commissioner his or her authority to make such examination. The commissioner and his deputy have the power to administer oaths and to examine under oath any director, officer, employee, or agent of any association concerning the business and affairs thereof. If the association has neither been audited by a registered or certified public accountant, in such manner and by auditors satisfactory to the commissioner, within the twelve-month period immediately preceding the date of such examination or within the period that has elapsed since such last preceding examination, whichever is greater, nor adopted and maintained an internal audit program acceptable to the federal deposit insurance corporation or its successor and the division, the examination by the division shall include an audit. The cost, as computed by the division, of any such audit shall be paid by the association audited; except that there shall be no charge by the division for making an audit when such audit has been made by reason of collaboration as provided in [section 11-41-117](#).

(1.5) In lieu of making his or her own examination, the commissioner may accept the examination report prepared by the federal office of thrift supervision or its successor or other appropriate regulatory authority.

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(2) When, in the judgment of the commissioner, the condition of any association renders it necessary or expedient to make an extra examination or to devote any such extraordinary attention to its affairs, the commissioner has authority to make any extra examinations and to devote any necessary extra attention to the conduct of its affairs and may cause a registered or certified public accountant, appointed by the commissioner, to make an audit or examination of such association's business and affairs. In any such case, the association shall pay a reasonable fee based on actual cost to be affixed by the commissioner for all such extra services rendered by the division or by such accountant. A copy of the commissioner's report on each examination must be furnished to the association examined, and each director must note thereon that he has read the same.

(3) The commissioner or his deputy shall annually examine into the affairs of every foreign association doing business in this state, and for every such examination made outside this state a reasonable expense and the actual traveling expenses incurred shall be paid by the association so examined. If the commissioner deems it necessary, he may cause a public accountant, appointed by the commissioner, to make an audit or examination of such association's business and affairs, and, in any such case, such association shall pay a reasonable price to be fixed by the commissioner for such extra services rendered by such accountant. Should any foreign association fail to pay the costs incurred in any such examination, such costs shall be paid by the state treasurer upon the order of the commissioner, and the amount so paid shall be a first lien upon all the assets and property of such association and may be recovered by suit by the attorney general on behalf of the state of Colorado and restored to the fund from which paid.

(4) For the purpose of the examinations provided for in this section, the commissioner and his deputy or any other person authorized by him to make the examination has free access to all books and papers of the association which relate to its business and to the books and papers kept by any officer, agent, or employee relating thereto or upon which any record of its business is kept and may summon witnesses and administer oaths or affirmations in the examination of the directors, officers, agents, or employees of any such association or any other person in relation to its affairs, transactions, and conditions. He may require and compel the production of records, books, papers, contracts, or other documents by court action if necessary.

(5) Any person who knowingly or willfully testifies falsely in reference to any matter material to said examination is guilty of perjury in the second degree and, upon conviction thereof, shall be punished accordingly; and any person who willfully refuses or fails to attend, answer, or produce books or papers, or who refuses to give said commissioner or his deputy or the person authorized by him full and truthful information and answer in writing to any inquiry or question made in writing by said commissioner or deputy or the person authorized by him in regard to the business carried on by such association or other matters under investigation, or who refuses or willfully fails to appear and testify under oath before the commissioner, his deputy, or the person authorized by him is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than five hundred dollars, or by imprisonment in the county jail for not more than three months, or by both such fine and imprisonment.

(6) Any director, officer, agent, or employee of any association who knowingly or willfully makes any false certificate, entry, or memorandum upon any of the books or the papers of any association or upon any statement filed or offered to be filed in the division of financial services of this state or used in the course of any examination, inquiry, or investigation, with the intent to deceive the commissioner, his deputy, or any person employed or appointed by him to make such examination, inquiry, or investigation, is guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than one thousand dollars, or by imprisonment in the county jail for not less than two months nor more than twelve months, or by both such fine and imprisonment.

HISTORY: Source: L. 33: p. 337, § 8.CSA: C. 25, § 54.L. 39: p. 250, § 22.CRS 53: § 122-6-9.L. 55: p. 765, § 1.L. 57: p. 650, § 2. C.R.S. 1963: § 122-5-9.L. 69: p. 1021, § 1.L. 71: p. 1147, § 5.L. 72: p. 567, § 44.L. 84: (1) amended and (1.5) added, p. 381, § 11, effective May 11.L. 89: (6) amended, p. 618, § 6, effective July 1.L. 2004: (1) and (1.5) amended, pp. 151, 140, § 60, 24, effective July 1.

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11-44-110. Power to take possession of association

(1) If the commissioner, as the result of any examination or from any report made to him, finds that any association doing business in this state is violating the provisions of its articles of incorporation or bylaws or of the laws of this state provided for its government or is conducting its business in an unsafe or unauthorized manner, by an order addressed to such association, he may direct a discontinuance of such violations or unsafe or unauthorized practices and a conformity with all the requirements of law.

(2) If such association refuses or neglects to comply with such order within the time specified therein, or if it appears to the commissioner that any association is in an unsafe condition or is conducting its business in an unsafe manner such as to render its further proceedings hazardous to the public or to any of its members, or if he finds that its assets are impaired to such an extent that it threatens loss to the withdrawable shares, or if any association refuses to submit its books, papers, and accounts to the inspection of the commissioner or any of his examiners, his deputy, or his assistants, or if any officer refuses to be examined upon oath concerning the affairs of such association, then the commissioner may revoke the certificate of authority of such association, which shall act as an injunction against the association issuing any new shares or stock, making any new loans, transferring any shares or stock, or making any change in its managerial or directorial personnel during the time such revocation is in effect.

(3) The commissioner may, with the written approval of the board, take possession of the property, business, and assets of such an association and retain such possession until such association, with the consent of the commissioner, resumes business or until its affairs are liquidated. Such association, with the consent of the commissioner, may resume business upon such conditions as may be prescribed by the commissioner, but such savings and loan association shall pay all the expenses of the commissioner and the commissioner's deputy and employees in so taking possession of its property and assets.

(4) (a) In addition to all other powers to take possession of any association, the commissioner may appoint himself or herself or a third party as conservator of any association and immediately take possession and control of the business and assets of the association if the commissioner determines that:

(I) Such action is necessary to conserve the assets of the association or to protect the interests of its shareholders from acts or omissions of the existing management;

(II) The association, by a resolution of its board of directors, consents to such action;

(III) There is a willful violation of a cease-and-desist order that results in the association being operated in an unsafe or unsound manner; or

(IV) The association is significantly undercapitalized and has no reasonable prospect of becoming adequately capitalized.

(b) The commissioner may appoint a conservator and take immediate possession of the association without prior notice or a hearing; except that, within ten days after the conservator is appointed, the association may file an appeal with the board requesting the board to rescind the commissioner's appointment of a conservator. Upon receipt of a timely appeal, the board shall set a date for hearing and determine whether the commissioner's appointment should be rescinded; except that such appeal shall not act as a stay of the commissioner's action. If the board finds the commissioner's action was unauthorized, the board shall restore control of the association to its board of directors. If no appeal is filed within ten days after the commissioner's appointment of a conservator, all action taken by the commissioner shall be final.

(c) In extraordinary circumstances, upon order of the board, any hearing conducted pursuant to this subsection (4) shall be exempt from any provision of law requiring that proceedings of the board be conducted publicly. Such extraordinary circumstances occur only when specific concern arises about prompt withdrawal of moneys from the association.

(d) The conservator shall have all the powers of the shareholders, directors, and officers of the association and shall be authorized to operate the association in its own name or to conserve its assets as directed by the

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commissioner. The conservator shall conduct the business of the association and make regular reports to the commissioner until such time as the commissioner has determined that the purposes of conservatorship have been accomplished and the association should be returned to the control of its board of directors. All costs incident to the conservatorship shall be paid out of the assets of the association. If the commissioner determines that the purposes of the conservatorship will not be accomplished, the commissioner may proceed with the involuntary liquidation of the association in the manner described in subsections (2) and (3) of this section.

(e) If a conservator is appointed, and is other than the federal deposit insurance corporation, the office of thrift supervision or its successors, or an employee of the division of financial services, the conservator and any assistants shall provide a bond, payable to the association and executed by a surety company authorized to do business in this state, which meets with the approval of the financial services board, for the faithful discharge of their duties in connection with such conservatorship and the accounting for all moneys coming into their hands. The cost of such bond shall be paid from the assets of the association. Suit may be maintained on such bond by any person injured by a breach of the conditions thereof. This requirement may be deemed met if the financial services board determines that the association's fidelity bond covers the conservator and any assistants.

HISTORY: Source: L. 33: p. 340, § 9.CSA: C. 25, § 55.CRS 53: § 122-6-10. C.R.S. 1963: § 122-5-10.L. 99: (3) amended and (4) added, p. 1012, § 7, effective August 4.

ANNOTATION

The taking over of a building and loan association is free from constitutional objections, for building and loan associations are purely creatures of statute. *United States Bldg. Loan Ass'n v. McClelland*, 95 Colo. 292, 36 P.2d 164 (1934).

11-44-110.5. Supervisory mergers

As a condition to allowing an association to resume business, the commissioner may require the association to merge with a domestic, foreign, or federal savings and loan association. In the case of such a supervisory merger initiated by the commissioner or the federal deposit insurance corporation or its successor, the provisions of [section 11-43-101](#) shall not apply.

HISTORY: Source: L. 82: Entire section added, p. 246, § 1, effective March 25.L. 2004: Entire section amended, p. 152, § 61, effective July 1.

11-44-111. Appeal from commissioner's action

When any association, of whose property, business, and assets the commissioner has taken possession, deems itself aggrieved thereby, it may appeal to the financial services board pursuant to [section 11-44-101.8](#) and receive expedited consideration as soon as practicable, and if it has, within ten days after the commissioner took possession, served written notice on the commissioner of its intention to seek to enjoin in court the commissioner's further proceedings, it may apply at any time within thirty days after such taking possession to the district court of the county in which the principal office of the association is located to enjoin further proceedings. After citing the commissioner to show cause why further proceedings should not be enjoined and hearing the evidence of the parties and determining the facts, the court may, upon the merits, dismiss such application or enjoin the commissioner from further proceedings and direct the commissioner to surrender such business, property, and assets to such association. An appeal from such judgment shall operate as a stay from the commissioner's taking possession, and no bond need be given if such appeal is taken by the commissioner; but, if such appeal is taken by such association, a bond shall be given as required by the court.

HISTORY: Source: L. 33: p. 341, § 10.CSA: C. 25, § 56.CRS 53: § 122-6-11. C.R.S. 1963: § 122-5-11.L. 93: Entire section amended, p. 1452, § 11, effective June 6.

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ANNOTATION

The parties have, under this section, a right to a plenary judicial review of the actions of the commissioner. *United States Bldg. Loan Ass'n v. McClelland*, 6 F. Supp. 299 (D. Colo. 1934).

11-44-112. Appointment of commissioner as receiver - assignment for benefit of creditors prohibited

Upon application to the district court, the commissioner may be appointed the receiver to operate a savings and loan association when such appointment is necessary to avoid the association's assets becoming impaired or when the association is operating in an unsafe manner. In lieu of the commissioner being appointed a receiver or liquidator, the federal deposit insurance corporation or its successor, or an insurer authorized to insure obligations or accounts pursuant to articles 40 to 47.5 of this title, may be tendered an appointment as receiver or liquidator. For the purposes of rule 98 of the Colorado rules of civil procedure, venue of the commissioner is in the city and county of Denver. No savings and loan association shall make an assignment for the benefit of creditors.

HISTORY: Source: L. 33: p. 342, § 11.CSA: C. 25, § 57.CRS 53: § 122-6-12. C.R.S. 1963: § 122-5-12.L. 82: Entire section amended, p. 246, § 2, effective March 25.L. 84: Entire section amended, p. 382, § 12, effective May 11.L. 2004: Entire section amended, p. 152, § 62, effective July 1.

11-44-113. Procedure under court order

(1) The commissioner may retain possession of any savings and loan association for the purpose of liquidating its affairs, but before doing so he shall furnish a bond, executed by some surety company authorized to do business in this state and running to the people of the state of Colorado, in a penal sum equal to the value of the negotiable assets of the association, as nearly as may be determined, for the faithful discharge of his duties in connection with liquidating the affairs of the association and accounting for all moneys coming into his hands. Such bond shall be approved by the governor and be filed in the office of the secretary of state. The cost of such bond shall be paid from the assets of the association. Suits may be maintained on such bond by any person injured by a breach of the conditions thereof.

(2) Upon taking such possession, the commissioner shall have authority to collect all moneys due to such association, and to give full receipt therefor, and to do such other acts as are necessary or expedient to collect, conserve, or protect its business, property, and assets.

(3) If the commissioner is in possession of the business, property, and assets of any association, regardless of whether or not he is liquidating the affairs of such association, the commissioner, in his discretion, may apply to the district court of the county in which the principal office in this state of such association is located for an order confirming any action taken by the commissioner or authorizing the commissioner to do any act or to execute any instrument not expressly authorized by articles 40 to 46 of this title, which order shall be made after a hearing, on such notice as the court shall prescribe. He may pay and discharge any secured claims against such association, and, within six months after taking such possession, he may disaffirm any executory contracts, including leases, to which such association is a party and disaffirm any partially executed contracts, including leases, to the extent that they remain executory.

HISTORY: Source: L. 33: p. 342, § 12.CSA: C. 25, § 58.CRS 53: § 122-6-13. C.R.S. 1963: § 122-5-13.

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11-44-114. Noncompliance with orders - penalty

If the commissioner demands possession of the property, business, and assets of any association, pursuant to [section 11-44-110](#), the refusal of any officer, agent, employee, or director of such association to comply with such demand shall constitute a misdemeanor, punishable by a fine of not more than three hundred dollars, or by imprisonment in the county jail for not more than ninety days, or by both such fine and imprisonment; and, if such demand is not complied with within twenty-four hours after service, the commissioner may call to his assistance the sheriff of the county in which the principal place of business of such association is located, by written demand under his hand and official seal; whereupon it shall become the duty of such official to enforce the demands of the commissioner.

HISTORY: Source: L. 33: p. 343, § 13.CSA: C. 25, § 59.CRS 53: § 122-6-14. C.R.S. 1963: § 122-5-14.

11-44-115. Officers to furnish schedule of property

Upon taking possession of the property, business, and assets of any association, the commissioner shall require the president and secretary of such association to make a schedule of all its property and assets and of all collateral held by it as security for loans, and to make oath that such schedule sets forth all such property, assets, and collateral which such association owns or to which it is entitled, and to deliver such schedule and the possession of all such property and collateral as may not have been so previously delivered to the commissioner, who may examine under oath such president and secretary, the other officers of such association, or the directors, agents, or employees thereof at any time to determine whether or not all the property, assets, and collateral which such association owns or to which it is entitled have been transferred and delivered into his possession.

HISTORY: Source: L. 33: p. 344, § 14.CSA: C. 25, § 60.CRS 53: § 122-6-15. C.R.S. 1963: § 122-5-15.

11-44-116. Liquidation powers of commissioner

(1) In liquidating the affairs of an association, the commissioner has the power to collect all moneys due to and all claims of such association and give full receipt therefor; to release or reconvey all real or personal property pledged, hypothecated, or transferred in trust as security for loans; to approve and pay all just and equitable claims; to commence and prosecute all actions and proceedings necessary to enforce liquidations; to compound bad or doubtful debts and to compound and settle with any debtor or creditor of such association or with the persons having possession of its property or being in any way responsible at law or in equity to such association, upon such terms and conditions and in such manner as he deems just and beneficial to such association; in case of mutual dealings between the association and any person, to allow just setoffs in favor of such persons in all cases in which the same ought to be allowed according to law and equity; in case of borrowers holding shares of the association pledged to the association as security for said loan, to allow the amount paid in on said shares, together with all dividends legally declared thereon, to be set off against the amount due on said loan; and to sell, convey, and transfer real and personal property.

(2) If a purchaser for any bad or doubtful debts cannot be obtained and it appears improbable that recovery thereon can be had and that the costs of actions to enforce collections of the same would probably be lost, the court may direct that suits thereon need not be brought.

(3) For the purpose of executing and performing any of the powers and duties conferred upon him, the commissioner, in the name of such association or in his own name, may prosecute and defend any and all suits and other legal proceedings and, in the name of such association or in his own name, as commissioner, may execute, acknowledge, and deliver any deeds, assignments, releases, and other instruments necessary and proper to effectuate any sale of real or personal property or other transaction in connection with the liquidation of such association. Any deed, assignment, release, or other instrument executed pursuant to the authority given shall be valid and effectual for all purposes as though the same had been executed by the officers of such association by

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authority of its board of directors.

(4) In case any of the real property so sold is located in a county other than the county in which the application to the court for leave to sell the same is made, the commissioner shall cause a certified copy of the order authorizing or ratifying such sale to be filed in the office of the recorder of the county in which such real property is located.

(5) Upon determining to liquidate an association, the commissioner shall cause an inventory of all the assets of such association to be made in duplicate, the original to be filed with the court and the duplicate in the office of the commissioner. He shall cause due notice to be given, by publication once a week for four successive weeks in some newspaper of general circulation published at or near the principal place of business of such association in this state, to all persons having claims against it as creditors, or investors, or otherwise, to present and file same and make legal proof thereof at a place and within a time to be designated in such publication, which time shall be not less than two months after such first publication. Within ten days after such first publication, he shall cause a copy of such notice to be mailed to all persons whose names appear of record upon its books as creditors or investors, and, upon the expiration of the time fixed for the presentation of claims, the commissioner shall prepare or cause to be prepared in duplicate a full and complete schedule of all claims presented, specifying by classes those that have been approved and those that have been disapproved, and shall file the original with the court and the duplicate in the office of the commissioner. Not later than five days after the time of filing such schedule with the court, written notice shall be mailed to all claimants whose claims have been rejected.

(6) Action to enforce the payment of any rejected claim must be brought and service had within four months after the date of filing of the schedule of claims with the proper court; otherwise all such actions shall be forever barred. All claims of creditors, investors, or other persons against the association or against any property owned or held by it must be presented to the commissioner in writing, verified by the claimant or someone in his behalf, within the period limited in the notice mentioned in subsection (5) of this section for the presentation of claims; and any claims not so presented shall be forever barred; but the claim of any investor, appearing upon the books of the association as a valid claim, presented after the expiration of the time fixed in said notice shall be entitled to share in any dividends declared subsequent to the presentation of such claim.

(7) The commissioner under his hand and official seal may appoint one or more special deputies to assist in the duties of liquidation and distribution under his direction and may also employ such special legal counsel, accountants, and assistants as may be needful and requisite and fix the salaries and compensation to be allowed and paid to each, all to be in a reasonable and commensurate sum. All such salaries and compensation and such other reasonable and necessary expenses as may be incurred in the liquidation shall be paid by the commissioner from the funds of such association in his hands.

(8) From the net realization of such assets in excess of such salaries, compensation, and expenses, the commissioner shall first pay all approved claims other than to investors, and thereafter he shall distribute and pay dividends in liquidation to the shareholders and investors in the association, other than holders of permanent stock, until their claims are fully paid or such assets or funds are exhausted. Such distributions shall be made as funds are available therefor, to the extent of ten percent or more of the approved claims of the class of claimants then entitled to distribution, and shall continue until all the assets have been realized upon and a final dividend in liquidation is declared and paid.

(9) Upon the payment of a final dividend in liquidation, the commissioner shall prepare and file with the court a full and final statement of the liquidation, including a summary of the receipts and disbursements, and a duplicate thereof shall be filed in the office of the commissioner, and, after due hearing and approval by the court, the liquidation shall be deemed to be closed.

(10) The determination by the commissioner to liquidate any association, evidenced by filing written notice of such determination with the court, shall operate to stay or dissolve any actions or attachments instituted or levied within thirty days next preceding the taking of possession of such association by the commissioner, and, pending the process of liquidation, no attachment or execution shall be levied nor lien created upon any of the property of such association.

(11) Whenever, in case of any association which has issued permanent stock, the commissioner has fully liquidated all claims other than claims of such stockholders, and has made due provision for any and all known or unclaimed liabilities, excepting claims of permanent stockholders, and has paid all expenses of liquidation, he shall call a

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meeting of the stockholders of said savings and loan association by giving notice thereof for thirty days in one or more newspapers published in the county in which the principal office of the association is located. At such meeting the commissioner shall deliver to such stockholders all the property and effects of said association remaining in his possession, except its records, which shall be retained by him as part of the records of his office, and, upon such transfer and delivery, he shall be discharged from any and all further liability to said association or its creditors, and thereupon the association shall be in the same position as though it had never been authorized to transact a savings and loan business.

HISTORY: Source: L. 33: p. 344, § 15.CSA: C. 25, § 61.CRS 53: § 122-6-16. C.R.S. 1963: § 122-5-16.

11-44-117. Setoffs

Credits on loan shares of all persons indebted to any savings and loan association in the possession of the commissioner, whether such indebtedness is due or to become due, shall be applied by him on account of such indebtedness.

HISTORY: Source: L. 33: p. 349, § 16.CSA: C. 25, § 62.CRS 53: § 122-6-17. C.R.S. 1963: § 122-5-17.

11-44-118. Commissioner and deputy not to accept gifts

Neither the commissioner nor his deputy shall receive or accept any bribe, gratuity, or reward from any person or association for any purpose whatever or knowingly and willfully make any false or fraudulent report of the condition of any association for any purpose whatsoever. One or more of the directors of any association may be present at any examination of the affairs thereof, but the absence of any or all of the officers or directors shall not operate to prevent the commissioner or his deputy from proceeding with such examination.

HISTORY: Source: L. 33: p. 349, § 17.CSA: C. 25, § 63.CRS 53: § 122-6-18. C.R.S. 1963: § 122-5-18.

11-44-119. Association's right to resort to court

Nothing in articles 40 to 46 of this title shall be construed to prevent an association or person affected by any order, ruling, proceeding, act, or action of the commissioner or the financial services board or any person acting on behalf and at the instance of the commissioner or the financial services board, or both, from testing the validity of the same in any court of competent jurisdiction, through injunction, appeal, or other proper process or proceeding, mandatory or otherwise.

HISTORY: Source: L. 33: p. 350, § 18.CSA: C. 25, § 64.CRS 53: § 122-6-19. C.R.S. 1963: § 122-5-19.L. 93: Entire section amended, p. 1453, § 12, effective June 6.

ANNOTATION

Section helps insure speedy judicial hearing. This section, together with § § 11-41-111, 11-41-113, and 11-41-116, supplies all reasonably proper means of obtaining speedy judicial hearings on all vital issues that could properly be raised. *United States Bldg. Loan Ass'n v. McClelland*, 95 Colo. 292, 36 P.2d 164 (1934).

For the parties have, under this section, a right to a plenary judicial review of the actions of the commissioner. *United States Bldg. Loan Ass'n v. McClelland*, 6 F. Supp. 299 (D. Colo. 1934).

11-44-120. Records of commissioner

(1) The commissioner shall maintain annually revised summaries disclosing the names of the officers and directors of all savings and loan associations doing business in the state of Colorado during the preceding year, the financial condition of such savings and loan associations, together with a statement of the assets, liabilities, and reserves of the associations, and such other information concerning the same as he may see fit.

(2) These data and any other material circulated in quantity outside the executive branch shall be issued in accordance with the provisions of [section 24-1-136, C.R.S.](#)

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(3) Repealed.

HISTORY: Source: L. 33: p. 350, § 19.CSA: C. 25, § 65.L. 39: p. 251, § 23.CRS 53: § 122-6-20.L. 64: p. 169, § 133. C.R.S. 1963: § 122-5-20.L. 83: (2) and (3) amended, p. 827, § 9, effective July 1.L. 96: (3) repealed, p. 1231, § 55, effective August 7.

Cross references: For the legislative declaration contained in the 1996 act repealing subsection (3), see section 1 of chapter 237, Session Laws of Colorado 1996.

11-44-121. Commissioner may destroy records. (Repealed)

HISTORY: Source: L. 55: p. 764, § 11.CRS 53: § 122-6-21. C.R.S. 1963: § 122-5-21.L. 2004: Entire section repealed, p. 140, § 25, effective July 1.

11-44-122. Waiver of membership or stockholder voting

Notwithstanding any other provision of state law, whenever the commissioner finds that it is necessary to effect a merger, consolidation, purchase and assumption agreement, conversion to stock association, conversion to mutual association, conversion to federal association, or conversion to state association or other action, as a result of the assets of any association being impaired to the extent that it threatens loss to the withdrawable shares or the association being in an unsafe condition and the time required to give proper notice and hold a meeting to vote on the action is deemed by the commissioner to increase the threat of loss to the withdrawable shares, the commissioner may waive the requirement of a membership or stockholder vote on the action. There shall be no requirement of prior written notice to the affected parties of said waiver.

HISTORY: Source: L. 82: Entire section added, p. 247, § 3, effective March 25.

11-44-123 (2013), TITLE 11. FINANCIAL INSTITUTIONS, SAVINGS AND LOAN ASSOCIATIONS,

ARTICLE 44. DIVISION OF FINANCIAL SERVICES, 11-44-123.

Assessment of civil money penalties, COLORADO REVISED STATUTES